

ORDER NO. 3411

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton; and
Tony Hammond

Competitive Product Prices
Priority Mail Express & Priority Mail
Contract 13 (MC2013-34)
Negotiated Service Agreement

Docket No. CP2013-45

ORDER APPROVING AMENDMENT TO
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 13
NEGOTIATED SERVICE AGREEMENT

(Issued July 5, 2016)

I. INTRODUCTION

The Postal Service seeks to amend the Priority Mail Express & Priority Mail Contract 13 negotiated service agreement.¹ For the reasons discussed below, the Commission approves the Amendment.

¹ Notice of United States Postal Service of Amendment to Priority Mail Express & Priority Mail Contract 13, with Portions Filed Under Seal, July 1, 2016 (Notice). The amendment is an attachment to the Notice (Amendment).

In Order No. 1647, the Commission approved the Priority Mail Express & Priority Mail Contract 13 negotiated service agreement (Existing Agreement).² The Commission subsequently approved an amendment to the Existing Agreement in Order No. 2108.³

On July 1, 2016, the Postal Service filed notice that it has agreed to a second amendment to the Existing Agreement. See Notice. The Amendment modifies the Existing Agreement by specifying an additional method by which the contract partner can pay for contract packages. *Id.* Attachment A at 1. The Amendment also changes the expiration date of the Existing Agreement to eight years after the initial effective date. *Id.* The Postal Service intends for the Amendment to become effective two business days after the date that the Commission completes its review of the Notice. Notice at 1.

II. COMMISSION ANALYSIS

The Commission has reviewed the Notice and the accompanying materials filed under seal. The Amendment does not materially affect the underlying financial analysis of the Existing Agreement. Thus, the Commission finds that the Existing Agreement, as amended, comports with the provisions applicable to rates for competitive products in 39 U.S.C. § 3633(a) and 39 C.F.R. § 3015.7.

The Postal Service states that the Amendment shall become effective two business days after the date that the Commission completes its review. Notice at 1. The Existing Agreement, as amended, is set to expire eight years after the initial effective date unless, among other things, it is renewed by mutual agreement. *Id.* Attachment A at 1.

² See Docket Nos. MC2013-34 and CP2013-45, Order Adding Express Mail & Priority Mail Contract 13 to the Competitive Product List, February 4, 2013 (Order No. 1647).

³ See Order Approving Amendment to Priority Mail Express & Priority Mail Contract 13 Negotiated Service Agreement, July 1, 2014 (Order No. 2108).

If the Existing Agreement, as amended, is terminated prior to the scheduled expiration date, the Postal Service shall promptly notify the Commission.

In conclusion, the Commission approves the Existing Agreement, as amended.

III. ORDERING PARAGRAPHS

It is ordered:

1. The Commission approves the Priority Mail Express & Priority Mail Contract 13 negotiated service agreement, as amended.
2. The Postal Service shall notify the Commission if the Existing Agreement, as amended, terminates prior to the scheduled expiration date.

By the Commission.

Ruth Ann Abrams
Acting Secretary